

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the General Government Appropriations Committee

BILL: CS for SB 20-A

INTRODUCER: General Government Appropriations Committee and Senator Baker

SUBJECT: My Safe Florida Home Program

DATE: January 7, 2009

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Kynoch	DeLoach	GA	Fav/CS
2.				
3.				
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|--|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="checked" type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input type="checkbox"/> | Amendments were recommended |
| | <input type="checkbox"/> | Significant amendments were recommended |

I. Summary:

This bill removes the requirement for the Department of Financial Services (DFS) to reserve \$10 million from the funds appropriated for the My Safe Florida Home Program for a no-interest loan program. This program has not been implemented because the DFS did not receive any qualified bids by the statutory deadline.

This bill substantially amends section 215.5586(8), Florida Statutes.

II. Present Situation:

During the 2006 Regular Session, the Legislature created the Florida Comprehensive Hurricane Damage Mitigation Program and appropriated \$250 million to provide financial incentives to encourage residential property owners in Florida to retrofit their properties, making them less vulnerable to hurricane damage and helping decrease the cost of residential property and casualty insurance. The program provides free home inspections and matching grants of up to \$5,000 for home mitigation and is administered by the Department of Financial Services.

In 2007, ch. 2007-126, L.O.F., changed the name of the program to the My Safe Florida Home Program (MSFH). The law also provided that the department may use up to \$10 million from the funds appropriated for the MSFH to develop a no interest loan program by December 31, 2007, to encourage the private sector to provide loans for mitigation measures. The department was directed to pay the interest on the loans, which were authorized to be for a term of up to three years and to cover up to \$5,000 in mitigation measures.

In 2008, ch. 2008-248, L.O.F., mandated that the department implement the no-interest loan program by October 1, 2008, contingent upon the selection of a qualified vendor and the execution of a contract acceptable to the department and the vendor. The department was directed to set aside \$10 million from the MSFH program funds for the loan program. The department issued a competitive solicitation for the program in July 2008. The department received questions at its pre-proposal conference held August 2008; however, no qualified bids were received by the department.

III. Effect of Proposed Changes:

The bill removes the requirement for the Department of Financial Services to reserve \$10 million from the funds appropriated for the My Safe Florida Home Program for a No-Interest Loan Program.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

In 2006, \$250 million nonrecurring general revenue was appropriated to the Department of Financial Services (DFS) for the Florida Comprehensive Hurricane Damage

Mitigation Program (MSFH) created in chapter 2006-12, Laws of Florida. The unexpended balance of this appropriation reverts to the General Revenue Fund June 30, 2009.

In 2008, the DFS was directed to reserve \$10 million from the MSFH program funds for implementation of a No-Interest Loan Program in accordance with chapter 2008-248, Laws of Florida.

Removal of the requirement to reserve the \$10 million facilitates the reversion of these funds to the General Revenue Fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by General Government Appropriations on January 7, 2009:

This bill removes the requirement for the Department of Financial Services to reserve \$10 million from the funds appropriated for the My Safe Florida Home Program for a no-interest loan program. This program has not been implemented because the DFS did not receive any qualified bids by the statutory deadline. Removal of the requirement to reserve the \$10 million facilitates the reversion of these funds to the General Revenue Fund.

- B. **Amendments:**

None.